

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-02372A

Verde Lakes Water Corporation
2867 South Verde Lakes Drive, #B
Camp Verde, AZ 86322-6595

RECEIVED

APR 01 2016
AZ CORP COMM
Director - Utilities

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

ANNUAL REPORT

Water

FOR YEAR ENDING

12	31	2015
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FOR COMMISSION USE

ANN 04	15
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4-1-16

Statutory Agent: Alan Williams

(Name)

2867 South Verde Lakes Drive, #B

Camp Verde

AZ

86322-6595

(Street)

(City)

(State)

(Zip)

928-567-4338

928-567-7049

928-300-0541

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: N/A

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input checked="" type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Verde Lakes Water Corporation

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	137,497	-0-	137,497
304	Structures and Improvements	77,615	27,617	49,998
305	Collecting & Impounding Reservoirs	214,783	159,469	55,314
306	Lake, River, Canal Intakes			
307	Wells and Springs	29,423	25,573	3,850
308	Infiltration Galleries			
309	Raw Water Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	84,394	84,394	-0-
320	Water Treatment Equipment			
320.1	Water Treatment Plants	56,440	24,981	31,459
320.2	Solution Chemical Feeders			
320.3	Point-of-Use Treatment Devices			
320.4	Arsenic Media			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	333,786	329,615	4,171
333	Services	30,772	30,236	536
334	Meters and Meter Installations	56,256	56,256	-0-
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	13,370	9,878	3,492
340.1	Computers & Software	8,236	8,071	165
341	Transportation Equipment	31,810	31,810	-0-
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	36,886	36,886	-0-
346	Communication Equipment	1,041	1,041	-0-
347	Miscellaneous Equipment	11,642	10,257	1,385
348	Other Tangible Plant	16,162	13,211	2,951
	TOTALS	1,140,113	849,295	290,818

*This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Verde Lakes Water Corporation

WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost(1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
301	Organization			
302	Franchises			
303	Land and Land Rights	137,497		
304	Structures and Improvements	77,615	2.31%	1,793
305	Collecting & Impounding Reservoirs	214,783	2.55%	5,486
306	Lake, River, Canal Intakes			
307	Wells and Springs	29,423	1.87%	550
308	Infiltration Galleries			
309	Raw Water Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	84,394	0.13%	112
320	Water Treatment Equipment			
320.1	Water Treatment Plants	56,440	4.94%	2,788
320.2	Solution Chemical Feeders			
320.3	Point-of-Use Treatment Devices			
320.4	Arsenic Media			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	333,786	0.42%	1,387
333	Services	30,772	1.43%	440
334	Meters and Meter Installations	56,256		
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	13,370	5.42%	726
340.1	Computers & Software	8,236	3.84%	316
341	Transportation Equipment	31,810		
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	36,886		
346	Communication Equipment	1,041		
347	Miscellaneous Equipment	11,642	11.90%	1,385
348	Other Tangible Plant	16,162	12.18%	1,968
	SUBTOTAL			
	LESS CIAC Amortization			
	TOTALS *	1,140,113		16,951

*This amount goes on the Comparative Statement of Income and Expense Acct. No. 403 _____

COMPANY NAME

Verde Lakes Water Corporation

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
CURRENT AND ACCRUED ASSETS			
131	Cash	\$ 56,071	\$ 80,405
134	Working Funds		
135	Temporary Cash Investments	134,501	134,658
141	Customer Accounts Receivable	8,977	10,251
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	13,500	13,500
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 213,049	\$ 238,814
FIXED ASSETS			
101	Utility Plant in Service	\$ 1,138,913	\$ 1,140,113
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(832,344)	(849,295)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 306,569	\$ 290,818
	TOTAL ASSETS	\$ 519,618	\$ 529,632

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME

Verde Lakes Water Corporation

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 3,518	\$ 3,369
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	12,641	12,464
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 16,159	\$ 15,833
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -0-	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	5,742	4,587
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 5,742	\$ 4,587
	TOTAL LIABILITIES	\$ 21,901	\$ 20,420
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	497,717	509,212
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 497,717	\$ 509,212
	TOTAL LIABILITIES AND CAPITAL	\$ 519,618	\$ 529,632

COMPANY NAME

Verde Lakes Water Corporation

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 205,319	\$ 211,055
460	Unmetered Water Revenue		
474	Other Water Revenues	4,276	5,194
	TOTAL REVENUES	\$ 209,595	\$ 216,249
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 91,141	\$ 92,922
610	Purchased Water		
615	Purchased Power	23,629	22,225
618	Chemicals		
620	Repairs and Maintenance	17,905	10,696
621	Office Supplies and Expense	9,884	9,417
630	Outside Services	12,403	10,395
635	Water Testing	4,875	5,383
641	Rents		
650	Transportation Expenses	5,193	4,749
657	Insurance - General Liability	6,558	8,779
659	Insurance - Health and Life	8,434	5,750
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	16,041	16,951
408	Taxes Other Than Income	9,136	8,042
408.11	Property Taxes	12,767	12,433
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 217,966	\$ 207,742
	OPERATING INCOME/(LOSS)	\$ (8,371)	\$ 8,507
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 201	\$ 157
421	Non-Utility Income	12,479	2,877
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(113)	(46)
	TOTAL OTHER INCOME/(EXPENSE)	\$ 12,567	\$ 2,988
	NET INCOME/(LOSS)	\$ 4,196	\$ 11,495

COMPANY NAME

Verde Lakes Water Corporation

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ _____

Meter Deposits Refunded During the Test Year

\$ _____

COMPANY NAME	Verde Lakes Water Corporation
Name of System:	ADEQ Public Water System Number:

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-801447	10	90	250	10		1992
55-801449	3	25	189	6		1958
55-559150	10	90	390	8	4	1997
55-524344	10	100	184	10	4	1990
55-524343	10	95	200	10	4	1990

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7 1/2	9	N/A	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
49,000 GAL	2	5,000 GAL	4
125,000 GAL	1		
66,000 GAL	1		
65,000 GAL	2		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Verde Lakes Water Corporation
Name of System:	ADEQ Public Water System Number:

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3	P.V.C.	500
4	P.V.C.	2,600
5		
6	P.V.C.	17,700
8	P.V.C.	2,800
10	P.V.C.	1,200
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	783
3/4	N/A
1	3
1 1/2	3
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

3 Chlorine Pumps
 2 Arsenic Removal Equipment

STRUCTURES:

Big Valley	-	1 Fleetrical Shed
Dinkey Creek	-	1 Fleetrical Shed
Maple	-	1 Pump Shed
Stillwater	-	1 Pump Shed - Fleetrical Shed

OTHER:

N/A

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	Verde Lakes Water Corporation
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2015

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	799	3,327	4,134	
FEBRUARY	821	2,981	4,401	
MARCH	806	3,257	4,207	
APRIL	799	5,756	7,476	
MAY	813	5,267	6,727	
JUNE	815	7,122	9,517	
JULY	811	6,558	8,468	
AUGUST	811	6,753	8,888	
SEPTEMBER	811	6,521	8,500	
OCTOBER	819	4,795	5,998	
NOVEMBER	820	3,542	4,524	
DECEMBER	817	3,818	4,671	
TOTALS →		59,697	77,511	

13-513 - .027

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

13-130 - .0001

13-059 - .013

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 Yes No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME:	Verde Lakes Water Corporation
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	-0-	6	
FEBRUARY	-0-	3	
MARCH	-0-	2	
APRIL	-0-	-0-	
MAY	-0-	3	
JUNE	-0-	3	
JULY	-0-	9	
AUGUST	-0-	3	
SEPTEMBER	-0-	-0-	
OCTOBER	-0-	1	
NOVEMBER	-0-	2	
DECEMBER	-0-	1	
TOTALS →	-0-	33	

OTHER (description):

COMPANY NAME Verde Lakes Water Corporation **YEAR ENDING 12/31/2015**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2015 was: \$ 12,433.32

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

APR 01 2016

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Yavapai
NAME (OWNER OR OFFICIAL) TITLE	Alan Williams, Operations Manager
COMPANY NAME	Verde Lakes Water Corporation

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



SIGNATURE OF OWNER OR OFFICIAL

928-300-0541

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

29

DAY OF March
2015

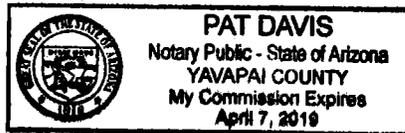
COUNTY NAME	YAVAPAI	
MONTH	March	2016

(SEAL)



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES April 7, 2019



**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 01 2016

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

COUNTY OF (COUNTY NAME)	Yavapai
NAME (OWNER OR OFFICIAL) TITLE	Alan Williams, Operations Manager
COMPANY NAME	Verde Lakes Water Corporation

I, THE UNDERSIGNED
OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2015 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>236,609</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 20,360
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Alan Williams
SIGNATURE OF OWNER OR OFFICIAL
928-300-2541
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 29 DAY OF

COUNTY NAME	Yavapai
MONTH	March
YEAR	2014

(SEAL)

MY COMMISSION EXPIRES April 7, 2019

Pat Davis
SIGNATURE OF NOTARY PUBLIC
PAT DAVIS
Notary Public - State of Arizona
YAVAPAI COUNTY
My Commission Expires
April 7, 2019



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

APR 01 2016

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Alan Williams	TITLE Operations Manager
COMPANY NAME Verde Lakes Water Corporation	

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2015 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 236,609

THE AMOUNT IN BOX AT LEFT INCLUDES \$ _____ IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.**



SIGNATURE OF OWNER OR OFFICIAL
928-300-0541

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

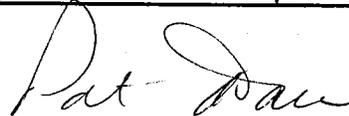
29

DAY OF

NOTARY PUBLIC NAME Pat Davis	
COUNTY NAME Yavapai	
MONTH March	, 2016

(SEAL)

MY COMMISSION EXPIRES April 7, 2019



SIGNATURE OF NOTARY PUBLIC

